

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
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development of a managed care system for Medicaid beneficiaries. Although the legislation did not specify a date for statewide implementation, the legislation did require Health and Human Services to determine which geographical areas of the state would be best suited for a managed care system and in which areas it should first be implemented. As a result of that, the counties of Douglas, Sarpy, and Lancaster were selected for initial implementation of acute care services. In 1998, Health and Human Services officials indicated their desire to move into Medicaid managed care in the rural areas of the state and that's when this raised the issue of whether managed care in rural areas...in some rural areas is feasible and if a workable model can be developed in rural Nebraska at this time. The legislation stipulates that managed care may be implemented in rural areas with a population of less than 100,000 if the following conditions exist. The area must have sufficient total population and providers to engage in a viable managed care system and the rural area must have a sufficient number and mixture of patient types to allow for an acceptable level of financial risk, and there must be a formalized managed care infrastructure to sustain the managed care environment. The bill was heard by the Health Committee, Health and Human Services Committee. There was a minor amendment that was adopted and the bill was reported out to the floor without any dissenting votes. So I would be glad to try to answer questions at some time, if I can, and encourage the body to support the bill. I think it's a good common-sense bill that will be very, very critical to our rural areas and our rural hospitals. Thank you, Mr. Speaker, Mr. President.

SENATOR CUDABACK PRESIDING

SENATOR CUDABACK: Mr. Clerk, are there committee amendments?

CLERK: Health and Human Services has committee amendments, Mr. President. (Standing Committee amendment AM0246 is found on page 536 of the Legislative Journal.)

SENATOR CUDABACK: Senator Jensen, you're recognized to speak.

SENATOR JENSEN: Thank you, Mr. President and members of the body. Senator Bromm is correct, the Health and Human Services